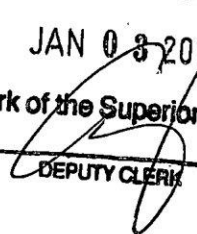


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FILED
SAN MATEO COUNTY
JAN 03 2018
Clerk of the Superior Court
By  DEPUTY CLERK

12 SUPERIOR COURT OF THE STATE OF CALIFORNIA
13 SAN MATEO COUNTY

14 LION SHARE INVESTMENTS, LLC, a
15 California Limited Liability Company,

16 Plaintiff,

17 v.

18 REX REGUM, LLC, a Wyoming Limited
19 Liability Company; JUSTIN RODGERS
20 HALL, an individual; TONIKA
21 LYNETTE MILLER, an individual;
22 SARA JANE JANSOHN, an individual;
23 and DOES 1-100 Inclusive,

24 Defendants.

Case No. 19CIV00018

**VERIFIED COMPLAINT FOR QUIET
TITLE, DECLARATORY RELIEF, BREACH
OF CONTRACT, BREACH OF IMPLIED
COVENANT, BREACH OF WARRANTY OF
TITLE, BREACH OF IMPLIED WARRANTY
OF MARKETABLE AND MERCHANTABLE
TITLE, FRAUD AND NEGLIGENT
MISREPRESENTATION**

19-CIV-00018
CMP
Complaint
1575732



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28
VERIFIED COMPLAINT FOR QUIET TITLE, DECLARATORY RELIEF, BREACH OF CONTRACT,
BREACH OF IMPLIED COVENANT, BREACH OF WARRANTY OF TITLE, BREACH OF IMPLIED
WARRANTY OF MARKETABLE AND MERCHANTABLE TITLE, FRAUD AND NEGLIGENT
MISREPRESENTATION

1 Plaintiff Lion Share Investments, LLC (“Plaintiff” or “Lion Share”) alleges as follows:

2 **GENERAL ALLEGATIONS**

3 1. This litigation concerns that certain real property commonly known as 147 Alameda
4 De Las Pulgas, Redwood City, San Mateo County, California (hereinafter the "Subject Property"),
5 which is legally described in Exhibit 1 attached hereto and incorporated by reference.

6 2. Plaintiff Lion Share is and at all times relevant hereto was a California Limited
7 Liability Company authorized to do and doing business in the State of California and County of
8 San Mateo. Lion Share claims an interest in the Subject Property under a Grant Deed dated August
9 22, 2018, recorded on August 27, 2018 as Document No. 2018-66845 in the San Mateo County
10 Official Records (“Grant Deed”). A true and correct copy of the Grant Deed is attached hereto as
11 Exhibit 2 and incorporated herein by reference.

12 3. Plaintiff is informed and believes and thereon alleges that defendant Rex Regum,
13 LLC (“Regum”) is and at all times relevant hereto was a Wyoming Limited Liability Company
14 authorized to do and doing business in the State of California and County of San Mateo. Plaintiff
15 is also informed and believes that Regum claims some right, title, estate, lien or interest in the
16 Subject Property adverse to Plaintiff.

17 4. Plaintiff is informed and believes and thereon alleges that defendant Justin Rodgers
18 Hall (“Hall”) is and at all times relevant hereto was an individual residing and/or doing business in
19 the State of California and County of San Mateo. Plaintiff is also informed and believes that Hall
20 is the alter ego of Regum and claims some right, title, estate, lien or interest in the Subject Property
21 adverse to Plaintiff.

22 5. Plaintiff is informed and believes that there exists and at all times mentioned herein
23 existed a unity of interest and ownership between defendants Regum, Hall and Does 1-20, such that
24 any individuality and separateness between these defendants has ceased, and that Regum is the alter
25 ego of Hall and of Does 1-20, in that at all times mentioned herein, Regum was a mere shell,
26 instrumentality or conduit without adequate capitalization through which Hall carried out his
27 business exactly as he had conducted it previous to, or would have absent Regum’s formation,

1 exercising complete control and dominance of Regum to such an extent that any individuality or
2 separateness of Regum does not, and at all times herein mentioned, did not, exist. Plaintiff is further
3 informed and believes that defendant Hall and Does 1-20 paid no valuable consideration for his
4 interest in Regum and/or took their interest in Regum with knowledge it had no valuable assets.

5 6. Plaintiff is informed and believes that adherence to the fiction of the separate
6 existence of defendant Regum as an entity distinct from defendant Hall and Does 1-20 would permit
7 an abuse of the corporate privilege and would sanction fraud in that Plaintiff, who without
8 knowledge of Regum's inadequate capitalization and other aforementioned conduct provided
9 valuable consideration to defendants, would be unable to recover from the real perpetrator and
10 instigator of the breaches and wrongs alleged herein because of these defendants hiding behind the
11 veil of a corporate shell which, Plaintiff is informed and believes, lacks sufficient assets to
12 compensate Plaintiff for its damages.

13 7. Each defendant is sued both individually and as an aider and abettor. In acting to
14 aid and abet the fraudulent scheme described herein, each defendant acted with an awareness of the
15 wrongfulness of such acts and nonetheless rendered substantial assistance or encouragement to the
16 accomplishment of the fraudulent scheme and was aware of his, her or its overall contribution to
17 the conspiracy, scheme, and common course of wrongful conduct alleged in the complaint.

18 8. Each defendant is sued as a co-conspirator and the liability of each arises from the
19 fact that each such defendant entered into an agreement with the other co-conspirator defendants to
20 pursue, and knowingly pursue, the common course of conduct to commit or participate in the
21 commission of all or part of the unlawful acts, plans, scheme, transactions, and artifices to defraud
22 alleged in this complaint.

23 9. Plaintiff is informed and believes and thereon alleges that defendant Tonika Lynette
24 Miller ("Miller") is and at all times relevant hereto was an individual residing and/or doing business
25 in the State of California and County of San Mateo.

1 Official Records (“Deed of Trust”).

2 16. Plaintiff is informed and believes that each of the defendants claim some right, title,
3 estate, lien or interest in the Subject Property adverse to Plaintiff.

4 17. Plaintiff learned for the first time learned that defendants claimed some interest in
5 the Subject Property in or about November 2018 when Plaintiff Lion Share attempted to obtain
6 possession of the Subject Property.

7 18. Plaintiff is informed and believes that defendants have no right, title, estate, lien, or
8 interest whatsoever in the Subject Property. Plaintiff seeks to quiet title as of August 27, 2018
9 against defendants’ claims to the Subject Property.

10 **SECOND CAUSE OF ACTION**
11 **Declaratory Relief**
12 **(Against All Defendants)**

13 19. Plaintiff refers to and incorporates herein by reference the allegations contained in
14 paragraphs 1 through 18, above, as though set forth here in full.

15 20. An actual controversy has arisen and now exists between Plaintiff and defendants in
16 that Plaintiff contends, and Plaintiff is informed and believes that defendants deny, that: (a) Plaintiff
17 Lion Share owns fee simple title to the Subject Property and that defendants have no right, title,
18 estate, lien or interest in the Subject Property whatsoever; and (b) Conventus is the beneficiary of
19 the Deed of Trust that establishes a valid and enforceable lien encumbering the Subject Property.

20 21. Plaintiff desires a judicial determination of the respective rights and duties of
21 Plaintiff and defendants with respect to the above-described matters.

22 22. Such a declaration is necessary and appropriate at this time in order that Plaintiff
23 and defendants may ascertain their respective rights and duties with respect to the Subject Property

24 **THIRD CAUSE OF ACTION**
25 **Breach of Contract**
26 **(Against Defendants Regum, Hall and Does 1-20)**

27 23. Plaintiff refers to and incorporates herein by reference the allegations contained in
28 paragraphs 1 through 22, above, as though set forth here in full.

1 the Subject Property free of claims by defendants.

2 31. Plaintiff Lion Share has performed each and every term, covenant and condition of
3 the Purchase Agreement required on his part, except such matters as were excused, waived or
4 prevented by defendants' breaches of the implied covenant of good faith and fair dealing.

5 32. As a proximate result of defendants' breaches as alleged herein, Plaintiff Lion Share
6 has been and will be damaged in an amount to be proven at trial. Such damages include, but are not
7 limited to, the greater of the purchase price or fair market value of the Subject Property and
8 additional consequential damages, including but not limited, lost profits and the costs of bringing
9 and prosecuting this action, including reasonable attorneys' fees.

10 **FIFTH CAUSE OF ACTION**
11 **Breach of Warranty of Title**
12 **(Against Defendants Regum, Hall and Does 1-20)**

13 33. Plaintiff refers to and incorporates herein by reference the allegations contained in
14 paragraphs 1 through 32, above, as though set forth here in full.

15 34. Plaintiff Lion Share is informed and believes that if it is determined that the Grant
16 Deed and Deed of Trust are not valid and enforceable, which Plaintiff Lion Share denies, in August
17 2018, defendants breached the warranty of title to the Subject Property.

18 35. Pursuant to the Purchase Agreement as alleged herein, defendants agreed, among
19 other things, to convey the Subject Property to Plaintiff Lion Share by grant deed free and clear of
20 all liens and encumbrances. On or about August 17, 2018, defendants made and delivered to
21 Plaintiff Lion Share the Grant Deed, together with the implied warranty of title therein pursuant to
22 California Civil Code Section 1113.

23 36. Plaintiff Lion Share is informed and believes that defendants breached the statutorily
24 implied warranty of title contained in the Grant Deed on or about August 17, 2018 by failing to
25 convey fee simple title in the Subject Property to Plaintiff Lion Share free and clear of all liens and
26 encumbrances, namely, defendant Janshon's alleged interest in the Subject Property.

27 37. As a proximate result of defendants' breaches as alleged herein, Plaintiff Lion Share
28 has been and will be damaged in an amount to be proven at trial. Such damages include, but are not

1 limited to, the greater of the purchase price or fair market value of the Subject Property and
2 additional consequential damages, including but not limited, lost profits and the cost of bringing
3 and prosecuting this action, including reasonable attorneys' fees.

4 **SIXTH CAUSE OF ACTION**
5 **Breach of The Implied Covenant of Marketable and Merchantable Title**
6 **(Against Defendants Regum, Hall and Does 1-20)**

7 38. Plaintiff refers to and incorporates herein by reference the allegations contained in
8 paragraphs 1 through 37, above, as though set forth here in full.

9 39. Plaintiff Lion Share is informed and believes that if it is determined that the Grant
10 Deed and Deed of Trust are not valid and enforceable, which Plaintiff Lion Share denies, in August
11 2018, defendants breached the implied covenant of marketable and merchantable title.

12 40. Pursuant to the Purchase Agreement as alleged herein, defendants agreed, among
13 other things, to convey the Subject Property to Plaintiff Lion Share by grant deed free and clear of
14 all liens and encumbrances. Implied in the Purchase Agreement and Grant Deed is a covenant of
15 marketable and merchantable title by which defendants covenanted that they had good marketable
16 and merchantable title at the time they conveyed the Subject Property to Plaintiff Lion Share by the
17 Grant Deed.

18 41. Plaintiff Lion Share has performed each and every term, covenant and condition of
19 the Purchase Agreement required on its part, except such matters as were excused, waived or
20 prevented by defendants' breaches of the Purchase Agreement.

21 42. Plaintiff Lion Share is informed and believes that defendants breached the implied
22 covenant of marketable and merchantable title on or about August 17, 2018 by failing to convey
23 fee simple title in the Subject Property to Plaintiff Lion Share free and clear of all liens and
24 encumbrances, namely, defendant Jansohn's alleged interest in the Subject Property.

25 43. As a proximate result of defendants' breaches as alleged herein, Plaintiff Lion Share
26 has been and will be damaged in an amount to be proven at trial. Such damages include, but are not
27 limited to, the greater of the purchase price or fair market value of the Subject Property and
28 additional consequential damages, including but not limited to, lost profits and the costs of bringing

1 and prosecuting this action, including reasonable attorneys' fees.

2 **SEVENTH CAUSE OF ACTION**

3 **Fraud**

4 **(Against Defendants Regum, Hall, Miller and Does 1-30)**

5 44. Plaintiff refers to and incorporates herein by reference the allegations contained in
6 paragraphs 1 through 43, above, as though set forth here in full.

7 45. Plaintiff Lion Share is informed and believes that if it is determined that the Grant
8 Deed and Deed of Trust are not valid and enforceable, which Plaintiff Lion Share denies, Plaintiff
9 Lion Share is informed and believes that, on or about August 17, 2018, defendants misrepresented
10 orally, in writing (through, among other things, the Purchase Agreement, Grant Deed and Deed of
11 Trust), that defendant Regum had good title and that in exchange for Plaintiff Lion Share's payment
12 of the \$997,000 purchase price called for under the Purchase Agreement, they could and would
13 transfer fee simple title in the Subject Property to Plaintiff Lion Share free and clear of all liens and
14 encumbrances. On or August 17, 2018, Plaintiff Lion Share, relying on defendants'
15 misrepresentations, paid to defendants the \$997,000 purchase price for the Subject Property.

16 46. Plaintiff Lion Share is informed and believes that defendants misrepresentations,
17 deceit, failure to disclose and active concealment, as alleged herein were false and misleading and
18 made by defendants with knowledge of their falsity. Plaintiff Lion Share is informed and believes
19 that defendants actively concealed and failed to disclose the true facts to Plaintiff Lion Share and
20 that defendants made the misrepresentations and concealed and failed to disclose the true facts with
21 the intent to induce Plaintiff Lion Share to pay the \$997,000 purchase price for the Subject Property.

22 47. At the time of the misrepresentations, active concealment and failure to disclose,
23 and at the time Plaintiff Lion Share took the actions herein alleged, Plaintiff Lion Share was
24 ignorant of the existence of the true facts. Had Plaintiff Lion Share been aware of the existence of
25 the true facts, Plaintiff Lion Share would not have taken the actions herein alleged. Plaintiff Lion
26 Share's reliance on defendants' misrepresentations, active concealment and failure to disclose was
27 reasonable because Plaintiff Lion Share believed defendants to be honest and truthful in agreeing
28 to sell the Subject Property to Plaintiff Lion Share.

1 for believing them to be true and complete.

2 54. At the time of the misrepresentations and failure to disclose, and at the time Plaintiff
3 Lion Share took the actions herein alleged, Plaintiff Lion Share was ignorant of the existence of the
4 true facts. Had Plaintiff Lion Share been aware of the existence of the true facts, Plaintiff Lion
5 Share would not have taken the actions herein alleged. Plaintiff Lion Share's reliance on
6 defendants' misrepresentations, active concealment and failure to disclose was reasonable because
7 Plaintiff Lion Share believed defendants to be honest and truthful in agreeing to sell the Subject
8 Property to Plaintiff Lion Share.

9 55. As a proximate result of defendants' negligent misrepresentations and
10 nondisclosures as alleged herein, Plaintiff Lion Share has been damaged in an amount to be proven
11 at trial.

12 56. Defendants, in doing the tortious things herein alleged, have caused Plaintiff Lion
13 Share to bring this complaint for which Plaintiff Lion Share is entitled to attorney's fees under the
14 doctrine of tort of another according to proof.

15 WHEREFORE Plaintiff prays for judgment as follows:

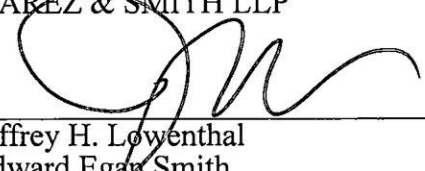
- 16 1. For a judgment that: (a) Plaintiff Lion Share is the sole owner in fee simple of the
17 Subject Property and that defendants have no right, title, estate, lien or interest in
18 the Subject Property; and (b) Conventus is the beneficiary of the Deed of Trust that
19 establishes a valid and enforceable lien encumbering the Subject Property;
- 20 2. For a declaration of the rights and duties of Plaintiff and defendants with regard to
21 the matters herein described;
- 22 4. For compensatory damages according to proof;
- 23 5. For exemplary or punitive damages according to proof;
- 24 6. For pre-judgment and post judgment interest at the legal rate;
- 25 7. For costs of suit incurred herein including reasonable attorneys' fees as permitted
26 by law; and

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8. For such other and further relief as the Court may deem just and proper.

Dated: 1-3-2019

STEYER LOWENTHAL BOODROOKAS
ALVAREZ & SMITH LLP

By: 

Jeffrey H. Lowenthal
Edward Egan Smith
Attorneys for Plaintiff Lion Share Investments,
LLC

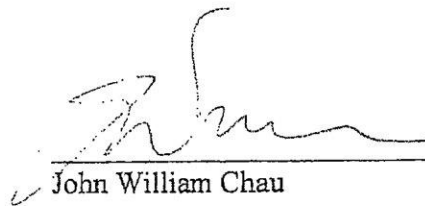
VERIFICATION

I, John William Chau, declare:

I am the Managing Member of plaintiff Lion Share Investments, LLC in the above-entitled action. I have read the foregoing VERIFIED COMPLAINT FOR QUIET TITLE, DECLARATORY RELIEF, BREACH OF CONTRACT, BREACH OF IMPLIED COVENANT, BREACH OF WARRANTY OF TITLE, BREACH OF IMPLIED WARRANTY OF MARKETABLE AND MERCHANTABLE TITLE, FRAUD AND NEGLIGENT MISREPRESENTATION and know the contents thereof. I am informed and believe the same is true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

DATED: 12/30/2018



John William Chau

VERIFIED COMPLAINT FOR QUIET TITLE, DECLARATORY RELIEF, BREACH OF CONTRACT, BREACH OF IMPLIED COVENANT, BREACH OF WARRANTY OF TITLE, BREACH OF IMPLIED WARRANTY OF MARKETABLE AND MERCHANTABLE TITLE, FRAUD AND NEGLIGENT MISREPRESENTATION

EXHIBIT 1



Legal Description

A.P.N.: 052-021-150-9

Real property in the City of Redwood City, County of San Mateo, State of California, described as follows:

THE NORTHWESTERLY 60 FEET, FRONT AND REAR MEASUREMENTS OF LOT 15 IN BLOCK 1, AS DESIGNATED ON THE MAP ENTITLED "EDGEWOOD PARK REDWOOD CITY, CALIFORNIA", WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, ON JUNE 22, 1925 IN BOOK 12 OF MAPS AT PAGES 41 AND 42.

JPN: 052-002-021-15A

EXHIBIT 2



2018-066845

8:51 am 08/27/18 DE Fee: 17.00

Count of Pages 2 RC

Recorded in Official Records

County of San Mateo

Mark Church

Assessor-County Clerk-Recorder



RECORDING REQUESTED BY:

First American Title Company

MAIL TAX STATEMENT

AND WHEN RECORDED MAIL DOCUMENT TO:

Lion Share Investments, LLC

9857 Novara Way

Elk Grove, CA 95757

Space Above This Line for Recorder's Use Only

A.P.N.: 052-021-150-9

File No.: 4322-5769906 (AUD)

GRANT DEED

The Undersigned Grantor(s) Declare(s): DOCUMENTARY TRANSFER TAX \$**1,096.70**; CITY TRANSFER TAX \$n/a;
SURVEY MONUMENT FEE \$

- computed on the consideration or full value of property conveyed, OR
- computed on the consideration or full value less value of liens and/or encumbrances remaining at time of sale,
- unincorporated area; City of **Redwood City**, and

EXEMPT FROM BUILDING HOMES AND JOBS ACTS FEE PER GOVERNMENT CODE 27388.1(a)(2)

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, **Rex Regum LLC, a Wyoming limited liability company**

hereby GRANTS to **Lion Share Investments, LLC, a California limited liability company**

the following described property in the City of **Redwood City**, County of **San Mateo**, State of **California**:

THE NORTHWESTERLY 60 FEET, FRONT AND REAR MEASUREMENTS OF LOT 15 IN BLOCK 1, AS DESIGNATED ON THE MAP ENTITLED "EDGEWOOD PARK REDWOOD CITY, CALIFORNIA", WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, ON JUNE 22, 1925 IN BOOK 12 OF MAPS AT PAGES 41 AND 42.

JPN: 052-002-021-15A

Mail Tax Statements To: **SAME AS ABOVE**

Date: 08/22/2018

A.P.N.: 052-021-150-9

File No.: 4322-5769906 (AUD)

Dated: August 22, 2018

Rex Regum LLC , a Wyoming limited liability company

By: Justin Rodgers Hall
Name: Justin Rodgers Hall
Title: Sole Member

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)SS

COUNTY OF LOS ANGELES)

On AUGUST 22, 2018 before me, B. WEBB , Notary Public, personally appeared Justin Rodgers Hall

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

This area for official notarial seal.

B. Webb
Notary Signature

